

## INCOME

### IN-KIND INCOME

is not considered in determining eligibility for Medicaid. This type of in-kind income includes donations from relatives (see page 98 for monetary donations) who are not legally responsible, as well as from friends or charitable and civic organizations.

In instances where the A/R is a member of a communal organization or religious order which provides in-kind goods and services (e.g., meals, housing, personal items, clothing, etc.) the value of such in-kind goods and services is counted in the determination of eligibility.

In the absence of a clearly established fair market value for the goods and services provided (e.g. goods are purchased in bulk, members live in dormitory settings, etc.), the value of the goods and services provided is determined by reference to the local district-specific schedule for shelter, utilities, day care, food stamps, etc. This comparison provides a reasonable basis for evaluating the value of the goods and services without the necessity of determining the fair market value of such goods and services in each instance. The value of in-kind income for shelter cannot exceed the maximum Public Assistance allowance for shelter, based on the living arrangements of the A/R.

#### **When to Verify:**

- (a) When the A/R declares in the application that food, shelter or other needs are provided by another person or organization;
- (b) When the A/R declares in the application that s/he shares housing arrangements or lives with another person;
- (c) When the A/R declares in the application that s/he lives in the employer's house or the employer pays rent for the A/R's living accommodations;
- (d) When the A/R declares that his/her landlord and employer are the same;
- (e) When the A/R is employed where meals are prepared and served; or
- (f) When the A/R declares his/her occupation to be any occupation in which accommodations and/or meals are likely to be provided (building superintendent, tenant farmer, farm laborer, live-in domestic worker).

**INCOME****IN-KIND INCOME****Verification:**

- (a) Seeing pay envelopes, check stubs or wage statements;
- (b) Obtaining employer's statement as to what is provided as part of the compensation for the job and the dollar value of such compensation;
- (c) Obtaining a dated statement from the person or group providing in-kind income specifying his/her relationship, if any, to the A/R, what compensation is provided and whether or not the A/R performs any services in return for the compensation;
- (d) Seeing a copy of a court order that included in-kind support;  
or
- (e) Seeing a statement from the legally responsible relative specifying what goods or services are provided and the frequency with which they are provided.

**Documentation:**

Sufficient to establish an audit trail:

- (a) Name and address of employer, person or organization providing the in-kind income, and a statement as to what is provided, the relationship, if any, to the A/R and the terms and frequency of the arrangement;
- (b) The basis of the local district's decision as to the amount to be budgeted as income to the A/R for the goods and services provided by the employer or the legally responsible relative ; or
- (c) Name of court, docket number, date of order and terms and name of the legally responsible relative when such in-kind income is ordered by the court.